

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:	*	Settlement Tracking No.
	*	SA-MM-07-0032
HONEYWELL INTERNATIONAL INC.	*	
	*	Enforcement Tracking No.
AI # 289 & 2082	*	MM-CN-06-0024
	*	
PROCEEDINGS UNDER THE LOUISIANA	*	
ENVIRONMENTAL QUALITY ACT	*	
LA. R.S. 30:2001, <u>ET SEQ.</u>	*	

SETTLEMENT

The following Settlement is hereby agreed to between Honeywell International Inc. ("Respondent") and the Department of Environmental Quality ("DEQ" or "the Department"), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, et seq. ("the Act").

I

Respondent is a corporation who owns and/or operates an integrated manufacturing facility (Agency Interest No. 289) that produces refrigerant products located at the intersection of Lupine Avenue and Ontario Street in Baton Rouge, East Baton Rouge Parish, Louisiana and a fluorocarbon manufacturing facility (Agency Interest No. 2082) located at 5525 Louisiana Highway 3115 in Geismar, Ascension Parish, Louisiana. ["the Facility(s)"].

II

On July 14, 2006, the Department issued a Consolidated Compliance Order and Notice of Potential Penalty, Enforcement No. MM-CN-06-0024, to Respondent, attached herewith as

Exhibit A.

III

The following violations, attached herewith as Exhibit B, although not included in the foregoing enforcement action, are included within the scope of the settlement herein. These violations have not been cited in any previous enforcement actions.

IV

Respondent denies it committed any violations or that it is liable for any fines, forfeitures and/or penalties.

V

Nonetheless, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the Department agrees to accept, a payment in the amount of TWO HUNDRED FIFTY-ONE THOUSAND TWO HUNDRED THIRTY-TWO AND 40/100 DOLLARS (\$251,232.40), of which Ten Thousand Six Hundred Forty-Six and 18/100 Dollars (\$10,646.18) represents DEQ's enforcement costs, in settlement of the claims set forth in this agreement.

VI

Respondent, in addition to the penalty amount specified in Paragraph V above and as part of this Settlement, agrees to expend the amount of SIX HUNDRED THIRTY THOUSAND AND NO/100 DOLLARS (\$630,000.00) to conduct the following beneficial environmental projects:

A. SAFER[®] System - (\$345,000)

Respondent will expend Three Hundred Forty Five Thousand and No/100 Dollars (\$345,000) to install the SAFER[®] system at their Baton Rouge and Geismar facilities. SAFER[®] is

a software system that assists in predicting consequences of chemical emergencies and also assists in emergency response activities. The SAFER[®] system can be used to predict plume tracking and concentration levels for air and/or liquid releases, as well as the extent of structural damage from thermal radiation or the overpressure from an explosion. In addition to tracking predictions in real time, the system can be used to develop pre-planning scenarios to enable effective emergency response plans and assist government agencies in their response.

- i. The estimated cost for installing SAFER[®] in both facilities is \$345,000. The funds will be expended in the following manner:

Baton Rouge	Software license, software install, data acquisition	\$117,900
	server and scenario development support	
	Meteorology tower and instrumentation acquisition	\$ 68,500
	and installation	
Geismar	Software license, software install, data acquisition	\$119,300
	server and scenario development support	
	Meteorology tower and instrumentation acquisition	\$ 39,300
	and installation	
Total		\$345,000

- ii. The system will be completely installed and operating within nine (9) months of notice to Respondent of the Department's final signature on the settlement.
- iii. Respondent shall submit quarterly reports regarding its progress in installing the SAFER system in the Baton Rouge and Geismar Facility sites. Reports shall be due on the following dates:

<u>Quarter</u>	<u>Date Report Due</u>
1 st	March 31
2 nd	June 30
3 rd	September 30
4 th	December 31

Each quarterly report shall include a description of the project, tasks completed at each site, tasks remaining, percentage completed and money expended at each site. The above reporting schedule will not commence until the final agreement is signed by the Secretary and received by Respondent. Quarterly reports shall be due at the end of each calendar quarter (on the above dates) until the project is completed. A final quarterly report will be the report that precedes the final project report required by Section VI.A.iv.

- iv. Upon complete installation of the SAFER system at both sites, Respondent shall submit a final report within thirty (30) days of completion for each facility. The report will set forth a summary of all the information previously submitted and the total amount spent on the project(s) listed above. It shall also contain a certification that the projects were completed as described.
- v. If Respondent does not spend the amount of Three Hundred Forty Five and No/100 Dollars (\$345,000), then it shall, in its final report, propose additional projects for the Department's approval or pay to the Department an amount

equal to the difference between the amount of money agreed to be spent and the amount of money actually spent.

B. Household Hazardous Material Fund-(\$85,000)

The Respondent shall donate Eighty Five Thousand and No/100 Dollars (\$85,000) to the Department's Household Hazardous Material Fund (HHMF). This program has been established by the Department, in conjunction with the Louisiana Municipal Association and the Police Jury Association of Louisiana, for the purpose of creating household hazardous waste programs throughout the state which will conserve resources and energy, prevent pollution, save money, and educate the public. Parish governments, municipalities, school boards, military bases and non-profit partnerships are encouraged to submit proposals to the Department requesting funds to support their household hazardous waste program. Such programs include: one day community collection programs, improvements on fixed facilities, and mobile collections. Proposals are approved depending on the type of program proposed and available funds. The materials which are targeted for these programs are household hazardous material and school lab wastes.

- i. The Respondent shall convey Eighty Five Thousand and No/100 Dollars (\$85,000) to the Department within thirty (30) days from notice of the Department's final signature.
- ii. Respondent shall submit a single final report to the Department within thirty (30) days after the donation confirming that the donation has been made as set forth, including the total amount donated to the HHMF. If, for any reason, Respondent does not spend the amount of Eighty Five Thousand and No/100 Dollars (\$85,000), then it shall, in its final report, propose additional projects for the Department's

approval or pay to the Department an amount equal to the difference between the amount of money agreed to be spent and the amount of money actually spent.

C. Copper Mill Outdoor Project-(\$200,000)

Respondent will donate Two Hundred Thousand and No/100 Dollars (\$200,000) to the Copper Mill Outdoor Classroom Project. This project is designed to provide an outdoor classroom area and develop an outdoor associated curriculum for Copper Mill Elementary School in Zachary, Louisiana. The project will serve all students in the district as well as serving as a resource for other schools in the state. The multiple learning centers will include aquatic labs, observation decks, a nature trail loop, a weather station, green house/butterfly garden, literacy garden and a vegetable garden. A summary of the Copper Mill Outdoor Classroom Project is attached hereto as Exhibit C. This project meets the criteria of an Environmental Compliance Promotion project listed in LAC 33:I.2505.A.6 since it promotes environmental education.

- i. The funds to be donated will finance the following parts of the proposed project:

Deck, Large	96,800.00
<ul style="list-style-type: none"> • Covered deck (outside approx 54' x 36'; calculations for cost based on actual dimensions) @ \$60.00 sq. ft • Handicap accessible via boardwalk / Construction of boardwalk access • Multi-leveled • Recycled plastic timbers for decking • Railing slanted for note taking and safety • Electricity, Lights, Sound • Emergency Storage Box / Trash and Recycle • Wet Table for students/teachers observations/experiments 	
Deck, Small	41,000.00
<ul style="list-style-type: none"> • Uncovered deck (outside approx. 24' x 36'; calculations for cost based on actual dimensions) @ \$50.00 sq. ft • Handicap accessible via boardwalk / Construction of boardwalk access • Multi-leveled • Recycled plastic timbers for decking • Railing slanted for note taking and safety • Electricity, Lights, Sound 	

<ul style="list-style-type: none"> Emergency Storage Box / Trash and Recycle Wet Table for students/teachers observations/experiments 	20,000.00
Nature Trail Loop	
<ul style="list-style-type: none"> 4' wide path around the perimeter of the pond (approx. 1,850 ft) Native vegetation Habitat areas (Cypress Tupelo Swamp Area; Fresh Water Marsh area with Cat Tails, etc) Instructional Areas (Amphibians, Invertebrates, etc) with interpretative signs 	
Copper Mill Park	11,400.00
<ul style="list-style-type: none"> Extend iron fence to include the land area available between the pond and the driveway Gate added on north-west end of the pond Handicapped accessible via boardwalk Benches Tiered seating (amphitheater type) build into a mound of dirt / facing the pond Rock garden with moving water Yard Swing Instructional Areas (maps, erosion, conservation, etc) with interpretative signs Landscaping with native trees, plants to attract native animals Include benches, tables, chairs, weathers station instruments and maps, bird feeders, bird houses, bird baths, tools for students to use to develop and maintain natural habitat areas 	
Pond Aerator, Vegetation, and Stocking	1,300.00
<ul style="list-style-type: none"> Aerator Plant vegetation Fish stocking 	
Materials of Instruction to Support Curriculum	23,700.00
<ul style="list-style-type: none"> Scientific materials of instruction include tools needed for scientific inquiry, as well as instructional resources in the areas of environmental, physical, life, and earth sciences. Items identified for purchase include: Scope on a Rope microscopes with an underwater scope for all science teachers; safety goggles; alternate energy sources; paddle wheels and paddle wheel boats; life cycle kits; binoculars; food web cards; nets and scoops; kits for testing water, soil, oxygen, etc. Social Studies materials of instruction include informational mapping and charting for pond and lecture park area; maps of the area around Copper Mill, compass sets Math materials of instruction include measuring tools. English Language Arts materials of instruction include nonfiction classroom library sets for reading instruction and research as well as reference materials (print and non print materials) for library 	

Literacy Garden	3,000.00
<ul style="list-style-type: none"> Plants, trees Rain water recycling cistern, benches, rain gauge, weather vane, anemometer Include benches, tables, chairs, weathers station instruments and maps, bird feeders, bird houses, bird baths, tools for students to use to develop and maintain natural habitat areas 	
Gardening and Composting Area	2,800.00
<ul style="list-style-type: none"> Square-foot gardening Composting Area Dome/Hot House 	
TOTAL PROPOSAL	200,000.00

- ii. The project is scheduled to be completed within 13 months from notice of the Department's final signature.
- iii. The Respondent shall convey Two Hundred Thousand and No/100 Dollars (\$200,000) to the Zachary Community School District within thirty (30) days from notice of the Secretary's final signature. The check shall be made payable to:

Zachary Community School District
c/o Gordon Robertson
4656 Main Street
Zachary, La 70791

- iv. All questions regarding the financial aspects of the project will be directed to:

Gordon Robertson
Zachary Community School District
Accounting Department
4656 Main Street
Zachary, La 70791

All questions regarding implementation of the project will be directed to:

Dewey Davis
Copper Mill Elementary
Principal
1300 Independence Blvd
Zachary, La 70791

- v. Respondent shall submit quarterly reports to the Department verifying that (a) the funds have been donated and (b) through the contacts listed in Paragraph VI.C.iv that the donated funds have been expended by the donee for a purpose consistent with the Act and the Louisiana Environmental Regulatory Code. Also, each quarterly report shall include a description of the project, tasks completed at each site, tasks remaining, percentage completed and money expended at each site. The Respondent will not be responsible for supervising the installation of the project.
- vi. The quarterly reports shall be due the 30th day for each of the following months: March, June, September and December. Quarterly reports shall be submitted to the Department until the project is completed. Upon project completion, the Respondent shall submit a single final report within thirty (30) days after completion of the project. The report should include a summary of all the information previously submitted, the total amount spent on the project listed above and a certification that the project was completed as described.
- vii. If Respondent does not spend the amount of Two Hundred Thousand and No/100 Dollars (\$200,000) then it shall, in its final report, propose additional projects for the Department's approval, or pay to the Department, an amount equal to the difference between the amount of money agreed to be spent and the amount of money actually spent.

VII

All project deadlines are final; however, the Department may extend a deadline date for any project if written notice is submitted to the Department within thirty (30) days before the project's completion deadline date. The Department reserves the right grant or deny any deadline extension.

VIII

The total amount of money expended by Respondent on cash payments to DEQ and on beneficial environmental projects, as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

IX

Respondent further agrees that the Department may consider the inspection report(s), the Consolidated Compliance Order and Notice of Potential Penalty and this Settlement for the purpose of determining compliance history in connection with any future enforcement or permitting action by the Department against Respondent. In any such action, Respondent shall be estopped from objecting to the above-referenced documents being considered proving of the violations alleged herein for the sole purpose of determining Respondent's compliance history.

X

This agreement shall be considered a final order of the secretary for all purposes, including, but not limited to, enforcement under La. R.S. 30:2025(G)(2), and Respondent hereby waives any right to administrative or judicial review of the terms of this agreement, except such review as may be required for interpretation of this agreement in any action by the Department to enforce this agreement.

XI

This settlement is being made in the interest of settling the state's claims and avoiding for both parties the expense and effort involved in litigation or an adjudicatory hearing. In agreeing to the compromise and settlement, the Department considered the factors for issuing civil penalties set forth in LSA- R. S. 30:2025(E) of the Act and the rules relating to beneficial environmental projects set forth in LAC 33:I.Chapter 25.

XII

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in both East Baton Rouge Parish and Ascension Parish, Louisiana. The advertisements, in form, wording, and size approved by the Department, announced the availability of this settlement for public view and comment and the opportunity for a public hearing. Respondent has submitted a proof-of-publication affidavit for each affected parish to the Department and, as of the date this Settlement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notices.

XIII

Payment of the cash portion of this Agreement is to be made within thirty (30) days from notice of the Secretary's signature. If payment is not received within that time, this Agreement is voidable at the option of the Department. Payments are to be made by check, payable to the Department of Environmental Quality, and mailed or delivered to the attention of Accountant Administrator, Financial Services Division, Department of Environmental Quality Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303. Payment shall be accompanied by a completed Settlement Payment Form (Exhibit D).

XIV

In consideration of the above, any claims for penalties are hereby compromised and settled in accordance with the terms of this Settlement.

XV

Each undersigned representative of the parties certifies that he or she is fully authorized to execute this Settlement Agreement on behalf of his/her respective party, and to legally bind such party to its terms and conditions.

HONEYWELL INTERNATIONAL, INC.

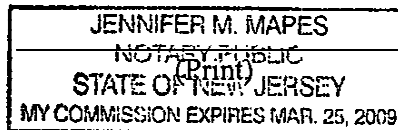
OK BY: Terrence Hahn
(Signature)

Terrence Hahn
(Print)

TITLE: VP of Honeywell Humine Products

THUS DONE AND SIGNED in duplicate original before me this 1st day of February, 2008, at Monrovia, NJ.

Jennifer M. Mapes
NOTARY PUBLIC (ID # _____)



LOUISIANA DEPARTMENT OF
ENVIRONMENTAL QUALITY
Harold Leggett, Ph.D., Secretary

BY: Peggy M. Hatch
Peggy M. Hatch, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 22nd day of April, 2008, at Baton Rouge, Louisiana.

J. R. Bayle
NOTARY PUBLIC (ID # 410539)
J. R. Bayle, Jr.
(Print)

Approved: Harold Leggett
Harold Leggett, Ph.D., Assistant Secretary